

Decision 06-04-059 April 27, 2006

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of Lorrie's Travel and Tours, Inc. for extension of authority to operate as a passenger stage corporation between San Francisco International Airport and the City and County of San Francisco to include service from those areas of the City and County of San Francisco it currently is not authorized for on-demand Door-to-Door service.

Application 06-02-010
(Filed February 10, 2006)

O P I N I O N

Summary

This decision grants the application of Lorrie's Travel & Tours, Inc. (Applicant), a corporation, pursuant to Pub. Util. Code § 1031 et seq., to extend its certificate of public convenience and necessity to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226.

Discussion

Applicant is authorized to operate as a PSC to transport passengers and their baggage pursuant to a certificate granted originally by Decision (D.) 86121 and revised by subsequent decisions. The certificate (PSC-1003) authorizes Applicant to conduct on-call services between parts of San Francisco, on the one hand, and San Francisco International (SFO) and Oakland International (OAK) Airports, on the other hand; and scheduled service between certain points in San Francisco (primarily hotels in the Downtown and Fisherman's Wharf areas), on the one hand, and SFO, on the other hand.

The application requests authority to extend the PSC certificate to include all of San Francisco in the on-call service to and from SFO. The certificate does not currently authorize service to the southeastern part of the city. Applicant indicates that it sometimes receives a request for service in this area, but at present it can offer passengers only higher priced charter service under its charter-party permit. Moreover, Applicant states that officials at SFO want it to provide service to all areas of San Francisco or risk losing its Airport Operating Permit. Attached to the application as Exhibit E is a copy of the letter Applicant received from Tryg McCoy, Deputy Airport Director, which sets forth SFO's position on this matter. McCoy notes in his letter that Applicant received authority from the Commission in 2003 to add the southeastern portion of San Francisco to its certificate, but Applicant never took the steps necessary to implement the service.¹

Applicant states that it has the knowledge, ability, and means to operate the expanded service. Its CEO has been involved in the transportation of passengers in the Bay Area for over 30 years as owner, manager, and operator of passenger stage and charter-party services. Attached to the application as Exhibit D is Applicant's unaudited balance sheet as of December 31, 2005, that discloses assets of \$466,000, liabilities of \$30,000, and net worth of \$436,000.

Notice of filing of the application appeared in the Commission's Daily Calendar on February 15, 2006. Applicant served a notice of the application to

¹ D.03-05-067, dated May 22, 2003, granted the requested extension and gave Applicant 120 days to file tariffs and establish service. Applicant failed to comply with this requirement and as a result the authority expired.

SFO, the City and County of San Francisco, and the San Francisco Municipal Railway.

In Resolution ALJ 176-3167 dated February 16, 2006, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protest has been received. Given this status, public hearing is not necessary, and it is not necessary to alter the preliminary determinations made in Resolution ALJ 176-3167.

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Assignment of Proceeding

Richard Clark is the assigned Examiner in this proceeding.

Findings of Fact

1. Applicant is authorized pursuant to D.86121, as revised by subsequent decisions, to operate as a PSC to transport passengers and their baggage on an on-call and scheduled basis between parts of San Francisco, on the one hand, and SFO and OAK, on the other hand.
2. The application requests authority to extend the on-call service between San Francisco and SFO to include all points in San Francisco.
3. Public convenience and necessity requires the proposed extended service.
4. No protest to the application has been filed.
5. A public hearing is not necessary.
6. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Conclusions of Law

1. Public convenience and necessity has been demonstrated and the application should be granted.
2. Since the matter is uncontested, the decision should be effective on the date it is signed.
3. Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. The certificate of public convenience and necessity (CPCN) granted to Lorrie's Travel & Tours, Inc. (Applicant), a corporation, authorizing it to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, to transport passengers and their baggage between the points and over the routes set forth in Appendix PSC-1003 of Decision 86121, as revised, is further revised by replacing current Revised Page 5 with Third Revised Page 5, subject to the conditions contained in the following paragraphs.
2. Applicant shall:
 - a. File a written acceptance of this certificate within 30 days after this order is effective.
 - b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
 - c. File tariffs on or after the effective date of this order. They shall become effective ten days or more after the effective date of this order, provided that the Commission and the public are given not less than ten days' notice.
 - d. Comply with General Orders Series 101 and 158, and the California Highway Patrol (CHP) safety rules.

- e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and General Order Series 158.
- f. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so.
- g. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.
- h. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code.

3. Applicant is authorized to begin operations on the date that the Consumer Protection and Safety Division mails a notice to Applicant that its evidence of insurance and other documents required by Ordering Paragraph 2 have been filed with the Commission and that the CHP has approved the use of Applicant's vehicles for service.

4. Before beginning service to any airport, Applicant shall notify the airport's governing body. Applicant shall not operate into or on airport property unless such operations are authorized by the airport's governing body.

5. The revised CPCN to operate as PSC-1003, granted herein, expires unless exercised within 120 days after the effective date of this order.

6. The Application is granted as set forth above.

7. This proceeding is closed.

This order is effective today.

Dated April 27, 2006, at San Francisco, California.

MICHAEL R. PEEVEY

President

GEOFFREY F. BROWN

DIAN M. GRUENEICH

JOHN A. BOHN

RACHELLE B. CHONG

Commissioners

SECTION 2. TERRITORY DESCRIPTIONS (Concluded).

**4. Territory 4

Beginning in the City and County of San Francisco at the prolongation of Cesar Chavez Street and the shoreline of San Francisco Bay; then by Cesar Chavez Street to Mission Street; then by Mission Street to the San Francisco city limit; then by the city limit to the shoreline of San Francisco Bay; then by the shoreline of San Francisco Bay to the point of beginning.

SECTION 3. ROUTE DESCRIPTIONS

ON-CALL SERVICE

Route 1 – San Francisco/SFO

Commencing from any point as described in Section 2, then over the most convenient streets and highways to San Francisco International Airport (SFO).

Route 2 – San Francisco/OAK

Commencing from any point in Territory 1, as described in Section 2, then over the most convenient streets and highways to Oakland International Airport (OAK).

*Second Revised Page 5, attached to Decision 03-05-067, expired without going into effect.

**Revised by Decision 06-04-059, Application 06-02-010.